

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
MUHLENBERG COUNTY WATER DISTRICT)	CASE NO. 98-478

O R D E R

On August 27, 1998, Muhlenberg County Water District ("Muhlenberg") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Muhlenberg purchases its water from Central City Municipal ("Central City").
2. Central City increased the wholesale water rate charged to Muhlenberg from \$1.20175 per 1,000 gallons to \$1.2558 per 1,000 gallons purchased effective September 9, 1998.
3. During the 12 months ending June 30, 1998, Muhlenberg purchased 505,334,900 gallons of water and sold 391,926,400 gallons.
4. The increase in the cost of purchased water is \$27,313.35, resulting in a purchased water adjustment of 7 cents per 1,000 gallons of water. Based on a monthly usage of 5,000 gallons, the average bill of a Muhlenberg customer would increase \$.35 from \$25.70 to \$26.05, or 1.36 percent.

5. The calculations and proposed tariff provided by Muhlenberg are correct and should be approved.

6. The purchased water adjustment of 7 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

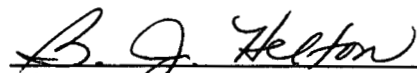
1. The purchased water adjustment of 7 cents per 1,000 gallons and the rates in Appendix A are approved for services rendered on and after September 9, 1998.


2. The tariff submitted by Muhlenberg is hereby approved as filed.

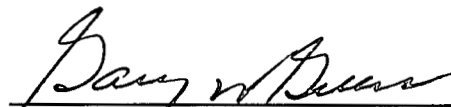
3. Within 20 days from the effective date of this Order, Muhlenberg shall file a copy of the notice to its customers and verification that such notice has been given prior to or at the time of the first billing of the new rates.

Done at Frankfort, Kentucky, this 22nd day of September, 1998.

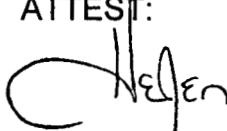
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 98-478 DATED SEPTEMBER 22, 1998

The following rates and charges are prescribed for the customers in the area served by Muhlenberg County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8 x 3/4-Inch Meter

First	2,000 Gallons	\$10.96	Minimum Charge
Next	8,000 Gallons	5.03	Per 1,000 Gallons
Next	10,000 Gallons	4.43	Per 1,000 Gallons
Next	30,000 Gallons	3.78	Per 1,000 Gallons
Over	50,000 Gallons	2.88	Per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$26.05	Minimum Charge
Next	5,000 Gallons	5.03	Per 1,000 Gallons
Next	10,000 Gallons	4.43	Per 1,000 Gallons
Next	30,000 Gallons	3.78	Per 1,000 Gallons
Over	50,000 Gallons	2.88	Per 1,000 Gallons

1 1/2-Inch Meter

First	11,000 Gallons	\$55.64	Minimum Charge
Next	9,000 Gallons	4.43	Per 1,000 Gallons
Next	30,000 Gallons	3.78	Per 1,000 Gallons
Over	50,000 Gallons	2.88	Per 1,000 Gallons

2-Inch Meter

First	16,000 Gallons	\$77.79	Minimum Charge
Next	4,000 Gallons	4.43	Per 1,000 Gallons
Next	30,000 Gallons	3.78	Per 1,000 Gallons
Over	50,000 Gallons	2.88	Per 1,000 Gallons

3-Inch Meter

First	26,000 Gallons	\$118.20	Minimum Charge
Next	24,000 Gallons	3.78	Per 1,000 Gallons
Over	50,000 Gallons	2.88	Per 1,000 Gallons

4-Inch Meter

First 36,000 Gallons
Next 14,000 Gallons
Over 50,000 Gallons

\$155.98 Minimum Charge
3.78 Per 1,000 Gallons
2.88 Per 1,000 Gallons

Wholesale Customer
Drakesboro

\$2.23 Per 1,000 Gallons